

1-1 By: Hegar S.B. No. 1820
1-2 (In the Senate - Filed March 12, 2013; March 19, 2013, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; April 11, 2013, reported favorably by the following
1-5 vote: Yeas 5, Nays 0; April 11, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Hinojosa	X			
1-8 Nichols	X			
1-9 Garcia	X			
1-10 Paxton	X			
1-11 Taylor	X			

1-13 A BILL TO BE ENTITLED
1-14 AN ACT

1-15 relating to the creation of Waller County Improvement District No.
1-16 1; providing authority to impose an assessment, impose a tax, and
1-17 issue bonds.

1-18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-19 SECTION 1. Subtitle C, Title 4, Special District Local Laws
1-20 Code, is amended by adding Chapter 3915 to read as follows:

1-21 CHAPTER 3915. WALLER COUNTY IMPROVEMENT DISTRICT NO. 1

1-22 SUBCHAPTER A. GENERAL PROVISIONS

1-23 Sec. 3915.001. DEFINITIONS. In this chapter:

1-24 (1) "Board" means the district's board of directors.

1-25 (2) "City" means the City of Houston.

1-26 (3) "County" means Waller County.

1-27 (4) "Director" means a board member.

1-28 (5) "District" means the Waller County Improvement
1-29 District No. 1.

1-30 (6) "Rail facilities" includes all real and personal
1-31 property owned or held by the district for railroad purposes,
1-32 including land, interests in land, buildings, structures,
1-33 rights-of-way, easements, franchises, rail lines, stations,
1-34 platforms, terminals, rolling stock, garages, shops, equipment,
1-35 and facilities including vehicle parking areas and facilities, and
1-36 other facilities necessary or convenient for the beneficial use and
1-37 access of persons and vehicles to stations, terminals, yards,
1-38 vehicles, control houses, signals and land, facilities, and
1-39 equipment for the protection and environmental enhancement of those
1-40 facilities.

1-41 Sec. 3915.002. NATURE OF DISTRICT. The Waller County
1-42 Improvement District No. 1 is a special district created under
1-43 Section 59, Article XVI, Texas Constitution.

1-44 Sec. 3915.003. PURPOSE; DECLARATION OF INTENT. (a) The
1-45 creation of the district is essential to accomplish the purposes of
1-46 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
1-47 Texas Constitution, and other public purposes stated in this
1-48 chapter. By creating the district and in authorizing the city, the
1-49 county, and other political subdivisions to contract with the
1-50 district, the legislature has established a program to accomplish
1-51 the public purposes set out in Section 52-a, Article III, Texas
1-52 Constitution.

1-53 (b) The creation of the district is necessary to promote,
1-54 develop, encourage, and maintain employment, commerce,
1-55 transportation, housing, tourism, recreation, the arts,
1-56 entertainment, economic development, safety, and the public
1-57 welfare in the district.

1-58 (c) This chapter and the creation of the district may not be
1-59 interpreted to relieve the city or the county from providing the
1-60 level of services provided as of the effective date of the Act
1-61 enacting this chapter to the area in the district. The district is

created to supplement and not to supplant city or county services provided in the district.

Sec. 3915.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

(a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

(1) developing and diversifying the economy of the state;

(2) eliminating unemployment and underemployment; and

(3) developing or expanding transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and

(4) provide for water, wastewater, drainage, road, and recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, rail facilities, and street art objects are parts of and necessary components of a street or road and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

(g) Rail facilities and improvements are necessary and convenient for the:

(1) use and implementation of the district's road facilities and improvements; and

(2) development and expansion of transportation in this state.

Sec. 3915.005. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on bonds;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Sec. 3915.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;

(3) an enterprise zone created under Chapter 2303, Government Code; or

(4) an industrial district created under Chapter 42, Local Government Code.

Sec. 3915.007. APPLICABILITY OF MUNICIPAL MANAGEMENT

DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3915.008. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3915.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five voting directors who serve staggered terms of four years, with two or three directors' terms expiring June 1 of each odd-numbered year.

(b) The board by resolution may change the number of voting directors on the board if the board determines that the change is in the best interest of the district. The board may not consist of fewer than five or more than nine voting directors.

Sec. 3915.052. APPOINTMENT OF VOTING DIRECTORS. The Texas Commission on Environmental Quality shall appoint voting directors from persons recommended by the board.

Sec. 3915.053. NONVOTING DIRECTORS. The board may appoint nonvoting directors to serve at the pleasure of the voting directors.

Sec. 3915.054. QUORUM. For purposes of determining the requirements for a quorum of the board, the following are not counted:

(1) a board position vacant for any reason, including death, resignation, or disqualification;

(2) a director who is abstaining from participation in a vote because of a conflict of interest; or

(3) a nonvoting director.

Sec. 3915.055. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

Sec. 3915.056. INITIAL VOTING DIRECTORS. (a) On or after the effective date of the Act creating this chapter, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as initial voting directors the five persons named in the petition. The commission shall appoint the five persons named in the petition as initial directors by position.

(b) Of the initial directors, the terms of directors appointed for positions one through three expire June 1, 2015, and the terms of directors appointed for positions four and five expire June 1, 2017.

(c) Section 3915.052 does not apply to this section.

(d) This section expires September 1, 2017.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3915.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3915.102. IMPROVEMENT PROJECTS AND SERVICES. The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using any money available to the district, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

Sec. 3915.103. DEVELOPMENT CORPORATION POWERS. The district, using money available to the district, may exercise the powers given to a development corporation under Chapter 505, Local Government Code, including the power to own, operate, acquire, construct, lease, improve, or maintain a project under that chapter.

Sec. 3915.104. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 3915.105. AGREEMENTS; GRANTS. (a) As provided by Chapter 375, Local Government Code, the district may make an agreement with or accept a gift, grant, or loan from any person.

(b) The implementation of a project is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3915.106. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the county or the city, to provide law enforcement services in the district for a fee.

Sec. 3915.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3915.108. ECONOMIC DEVELOPMENT. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:

(1) Chapter 380, Local Government Code; and

(2) Subchapter A, Chapter 1509, Government Code.

Sec. 3915.109. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3915.110. ANNEXATION OF LAND. The district may annex land as provided by Subchapter J, Chapter 49, Water Code.

Sec. 3915.111. RAIL FACILITIES. The district may construct, acquire, improve, maintain, finance, and operate rail facilities and improvements.

Sec. 3915.112. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3915.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3915.152. MONEY USED FOR IMPROVEMENTS OR SERVICES. The district may acquire, construct, finance, operate, or maintain

any improvement or service authorized under this chapter or Chapter 375, Local Government Code, using any money available to the district.

Sec. 3915.153. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3915.154. ASSESSMENTS; LIENS FOR ASSESSMENTS.

(a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

Sec. 3915.155. TAX AND ASSESSMENT ABATEMENTS. The district may designate reinvestment zones and may grant abatements of a tax or assessment on property in the zones.

SUBCHAPTER E. TAXES AND BONDS

Sec. 3915.201. ELECTIONS REGARDING TAXES AND BONDS.

(a) The district may issue, without an election, bonds, notes, and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 3915.203.

(b) The district must hold an election in the manner provided by Subchapter L, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) Section 375.243, Local Government Code, does not apply to the district.

(d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Sec. 3915.202. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election held in accordance with Section 3915.201, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code, for any district purpose, including to:

(1) maintain and operate the district;

(2) construct or acquire improvements; or

(3) provide a service.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

(c) Section 49.107(h), Water Code, does not apply to the district.

6-1 Sec. 3915.203. CONTRACT TAXES. (a) In accordance with
 6-2 Section 49.108, Water Code, the district may impose a tax other than
 6-3 an operation and maintenance tax and use the revenue derived from
 6-4 the tax to make payments under a contract after the provisions of
 6-5 the contract have been approved by a majority of the district voters
 6-6 voting at an election held for that purpose.

6-7 (b) A contract approved by the district voters may contain a
 6-8 provision stating that the contract may be modified or amended by
 6-9 the board without further voter approval.

6-10 Sec. 3915.204. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS
 6-11 AND OTHER OBLIGATIONS. (a) The district may borrow money on terms
 6-12 determined by the board. Section 375.205, Local Government Code,
 6-13 does not apply to a loan, line of credit, or other borrowing from a
 6-14 bank or financial institution secured by revenue other than ad
 6-15 valorem taxes.

6-16 (b) The district may issue bonds, notes, or other
 6-17 obligations payable wholly or partly from ad valorem taxes,
 6-18 assessments, impact fees, revenue, contract payments, grants, or
 6-19 other district money, or any combination of those sources of money,
 6-20 to pay for any authorized district purpose.

6-21 (c) The limitation on the outstanding principal amount of
 6-22 bonds, notes, and other obligations provided by Section 49.4645,
 6-23 Water Code, does not apply to the district.

6-24 Sec. 3915.205. TAXES FOR BONDS. At the time the district
 6-25 issues bonds payable wholly or partly from ad valorem taxes, the
 6-26 board shall provide for the annual imposition of a continuing
 6-27 direct annual ad valorem tax, without limit as to rate or amount,
 6-28 for each year that all or part of the bonds are outstanding as
 6-29 required and in the manner provided by Sections 54.601 and 54.602,
 6-30 Water Code.

6-31 SECTION 2. The Waller County Improvement District No. 1
 6-32 initially includes all territory contained in the following area:

6-33 FIELD NOTES FOR A 92.64 ACRE TRACT OF LAND IN THE H. & T.
 6-34 C. RAILROAD COMPANY SURVEY SECTION 77, ABSTRACT 156, WALLER COUNTY,
 6-35 TEXAS, BEING OUT OF AND A PART OF THE RESIDUE OF THAT CERTAIN CALLED
 6-36 160.0437 ACRE TRACT (TRACT 4) RECORDED IN VOLUME 475, PAGE 502, DEED
 6-37 RECORDS, WALLER COUNTY, TEXAS, WITH ALL BEARINGS BASED UPON THE
 6-38 EAST LINE OF SAID SECTION 77 AS BEING NORTH 01 DEGREE 59 MINUTES 55
 6-39 SECONDS WEST (ADJOINER CALLED NORTH 01 DEGREE 59 MINUTES 55 SECONDS
 6-40 WEST).

6-41 COMMENCING at a 1/2 inch iron pipe found at the intersection
 6-42 of the apparent occupied west right-of-way line of Shell Plant Road
 6-43 (also called Cardiff Road (width varies)) and the apparent occupied
 6-44 north right-of-way line of McAllister Road (50-feet wide) for the
 6-45 southeast corner of a called 125.105 acre tract (Tract 3) recorded
 6-46 in Volume 475, Page 502, Deed Records, Waller County, Texas, said
 6-47 point being in the west line of an adjoining called 671.451 acre
 6-48 tract (Tract 4) recorded in Volume 0882, Page 441, Official
 6-49 Records, Waller County, Texas, from which point a 2-inch iron pipe
 6-50 found for the southeast corner of said Section 77 bears North 02
 6-51 degrees 32 minutes 48 seconds West, 114.43 feet (adjoiner called
 6-52 North 02 degrees 32 minutes 48 seconds West, 114.43 feet);

6-53 THENCE South 88 degrees 44 minutes 46 seconds West (called
 6-54 North 89 degrees 47 minutes 07 seconds West) along the south line of
 6-55 said called 125.105 acre tract and said called 160.0437 acre tract,
 6-56 same being the apparent occupied north right-of-way line of
 6-57 McAllister Road, 2,670.50 feet to a 1/2 inch iron pipe with cap
 6-58 marked "Kalkomey Surveying" found on said line for the southeast
 6-59 corner and Place of Beginning of the herein described tract, said
 6-60 point also being the southwest corner of an adjoining called 130.57
 6-61 acre tract recorded in Volume 1304, Page 415, Official Records,
 6-62 Waller County, Texas;

6-63 THENCE South 88 degrees 44 minutes 46 seconds West (called
 6-64 North 89 degrees 47 minutes 07 seconds West) along the south line of
 6-65 the herein described tract and said called 160.0437 acre tract,
 6-66 same being the apparent occupied north right-of-way line of
 6-67 McAllister Road, 1,484.40 feet to a point on said line for the
 6-68 southwest corner of the herein described tract;

6-69 THENCE North 01 degree 27 minutes 59 seconds West

establishing the west line of the herein described tract, 2,715.51 feet to a point for the northwest corner of the herein described tract, said point being in the north line of said called 160.0437 acre tract, same being the south line of an adjoining called 160.104 acre tract (Tract 1) recorded in Volume 475, Page 502, Deed Records, Waller County, Texas;

THENCE North 88 degrees 30 minutes 52 seconds East (called East) along the north line of the herein described tract and the north line of said called 160.0437 acre tract, same being the south line of said adjoining called 160.104 acre tract, 1,484.39 feet to a 1/2 inch iron pipe found for the northeast corner of the herein described tract, same being the southeast corner of said adjoining called 160.104 acre tract, the southwest corner of an adjoining tract being called the Northeast Quarter of Section 77 recorded in Volume 442, Page 928, Deed Records, Waller County, Texas, and the northwest corner of the aforementioned adjoining called 130.57 acre tract, from which point a found 1-1/2 inch bent iron pipe bears South 60 degrees 06 minutes 35 seconds West, 9.44 feet;

THENCE South 01 degree 27 minutes 59 seconds East along the east line of the herein described tract, same being the west line of said adjoining called 130.57 acre tract, 2,721.52 feet to the Place of Beginning and containing 92.64 acres of land, more or less.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) The general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with.

(e) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

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